

**The Community Preservation Act (CPA)** as approved at 1.5% by Maynard voters in May 2006, creates a dedicated funding source financed by the surcharge revenues and state matching funds, for certain open space, historic resource, recreational land and community housing purposes. A Community Preservation Committee (CPC) will make recommendations for the use of the funds to Town Meeting for its approval.

### Who must pay the CPA Surcharge?

The CPA Surcharge is paid by all residential property owners.

### How is the surcharge calculated?

For example, the 1.5% Surcharge is calculated as follows:

|                                       |                           |
|---------------------------------------|---------------------------|
| <b>FY 2006 Assessed Value:</b>        | <b>\$550,000</b>          |
| <b><u>Less Exemption for CPA:</u></b> | <b><u>– \$100,000</u></b> |
| <b>Net CPA Value:</b>                 | <b>\$450,000</b>          |
| <b><u>Times Tax Rate/\$1,000</u></b>  | <b><u>x \$12.91</u></b>   |
| <b>Net CPA Tax</b>                    | <b>\$5,809.50</b>         |
| <b><u>Times Surcharge Rate</u></b>    | <b><u>x 1.5%</u></b>      |
| <b>CPA Surcharge</b>                  | <b>\$87.14</b>            |

### Are there Exemptions to the CPA?

The Town of Maynard has approved the following exemptions:

- The first \$100,000 of assessed value is exempt on residential real estate (as classified on 1 January) for purposes of calculating the CPA surcharge.
- A complete exemption from the surcharge for property owned and occupied as a domicile by any person who qualifies for low income or low or moderate-income senior housing.

### EXEMPTION REQUIREMENTS:

To qualify for this exemption for fiscal year 2007, you must meet certain **household** income requirements based on calendar year 2005 income.

#### Qualifications for Low or Moderate Income

##### SENIOR:

- Age, Ownership, Occupancy, Income and Use requirements must be met as of 1 January 2006.
- Must be 60 years of age or older to qualify for low or moderate-income senior housing\* as calculated below.

| Household Size | Median Income* | Household Adjustment | Adjusted Income |
|----------------|----------------|----------------------|-----------------|
| 1              | \$80,800       | 0.70                 | \$56,560        |
| 2              | \$80,800       | 0.80                 | \$64,640        |
| 3              | \$80,800       | 0.90                 | \$72,720        |
| 4              | \$80,800       | 1.00                 | \$80,800        |

\* (\$80,800 x Household Size Factor-- Adjusted Income)

#### Qualifications for Low Income

- Ownership, Occupancy, Income and Use requirements must be met as of 1 January 2006.
- Under 60 years of age whose income is less than 80% of the area wide median income\* and who qualifies for low income housing.

| Household Size | Median Income* | Low Income Adjustment | Household Adjustment | Adjusted Income |
|----------------|----------------|-----------------------|----------------------|-----------------|
| 1              | \$80,800       | 0.80                  | 0.70                 | \$45,248        |
| 2              | \$80,800       | 0.80                  | 0.80                 | \$51,712        |
| 3              | \$80,800       | 0.80                  | 0.90                 | \$58,176        |
| 4              | \$80,800       | 0.80                  | 1.00                 | \$64,640        |
| 5              | \$80,800       | 0.80                  | 1.08                 | \$69,811        |
| 6              | \$80,800       | 0.80                  | 1.16                 | \$74,982        |
| 7              | \$80,800       | 0.80                  | 1.24                 | \$80,154        |
| 8              | \$80,800       | 0.80                  | 1.32                 | \$85,325        |

\* (((\$80,800 x 80% US HUD Low Income Adjustment) x Household Size Factor)

- The area-wide median income (AWMI) shall be determined by the United States Department of Housing and Urban Development. HUD's Area Wide Median Income for the Maynard area for Federal Fiscal Year 2007 is \$80,800

### How is Household Income Determined?

- Household Annual Gross Income is the income received from all sources regardless of income tax status under federal or state law, during the calendar year 2005, by all members of the household 18 yrs or older who are not full time students.
- Less an allowable deduction for Dependents other than a spouse. (Based on the Mass. Dept. of Housing & Community Development standards)
- Less total household out of pocket medical expenses for the calendar year exceeding 3% of household annual gross income.

### How do I apply?

Applications must be completed and filed with the Board of Assessors annually for approval. Supporting documentation will be required to help the Board make a determination of your eligibility for the exemption.

### What if I don't pay the surcharge?

The filing of an application does not mean you can postpone the payment of your CPA Surcharge. An interest rate of 14% will be charged on unpaid balances.

### For how long will the Surcharge Apply?

Once accepted the town must wait at least 5 years after the referendum passes to revoke. Revocation is by the majority vote of Town Meeting and by referendum. G.L. Ch 44B §16(b). However, the town can vote to change the percentage annually to an amount up to 3.0%.